

Variable Rate Type (see pages 3 & 4 for Fixed Rate Type)

**SALLIE MAE BANK**

P.O. Box 9435  
 Wilkes-Barre, PA 18773-9435  
 (877) 279-7172

## Loan Interest Rate & Fees

Your **starting interest rate** will be between

2.25%

and

10.125%

After the starting rate is set, your rate will then vary with the market

### Your Starting Interest Rate (upon approval)

The starting interest rate you pay will be determined after you apply. It will be based upon your credit history, which repayment option you choose, and other factors. If approved, we will notify you of the rate you qualify for within the stated range.

### Your Interest Rate during the life of the loan

**Your rate is variable.** This means that your rate could move lower or higher than the rates on this form. The variable rate is based upon the one-month LIBOR Rate (as published by the Reuters on its Reuters Screen LIBOR01). For more information on this rate, see the reference notes.

There is no limit on the amount the interest rate can increase.

### Loan Fees

**Application fee:** \$0 . **Disbursement fee:** The fees that we charge to make this loan are 0% to 0% of total loan amount. **Late charge:** 5% of the amount of the past due payment, or \$5, whichever is greater.

**Returned check charge:** up to \$20. **Fee when you begin repaying the loan:** 0% of loan balance.

## Loan Cost Examples

The total amount you will pay for this loan will vary depending upon when you start to repay it. This example provides estimates based upon three (3) different repayment options available to you while enrolled in school.

Repayment Options <small>(while enrolled in school and during the separation period of six (6) billing cycles thereafter)</small>	Amount Provided <small>(amount provided directly to you or your school)</small>	Interest Rate <small>(highest possible starting rate)</small>	Loan Term <small>(how long you have to pay off the loan)</small>	Total Paid over life of loan <small>(includes associated fees)</small>
<b>INTEREST PAYMENT</b> Make interest payments but defer payments on the principal amount while enrolled in school and during separation.	\$10,000	10.125%	12 years starting <u>after</u> the in school period	\$21,469.79
<b>FIXED PAYMENT</b> Make fixed payments of \$25 each month while enrolled in school and during separation. Interest will be charged and unpaid interest will be added to your loan.	\$10,000	10.125%	12 years starting <u>after</u> the in school period	\$23,548.32
<b>DEFER PAYMENT</b> Make no payments while enrolled in school and during separation. Interest will be charged and added to your loan.	\$10,000	10.125%	12 years starting <u>after</u> the in school period	\$24,503.03

### About this example

The repayment example assumes that you remain in school for 4 years and have a 6-month separation period before beginning repayment. It is based on the **highest starting rate currently charged** and associated fees. Please note that monthly principal and interest payments after the separation period ends and the interest rate on your loan are higher for the "Fixed Payment" and "Defer Payment" Repayment Options. So long as you do so prior to finalizing this loan, you will be able to change your repayment option and interest rate type elections by calling 877-279-7172. Principal and interest repayment terms vary from 5 to 15 years and are based upon the borrower's cumulative outstanding Sallie Mae-serviced private student loan balance, repayment option and the student's school-certified academic grade level.

## Federal Loan Alternatives

Loan program	Current Interest Rates by Program Type*
<b>PERKINS</b> for Students	5% fixed
<b>STAFFORD</b> for Students	3.86% fixed Undergraduate subsidized and unsubsidized
	5.41% fixed Graduate
<b>PLUS</b> for Parents and Graduate/ Professional Students	6.41% fixed Federal Direct Loan

**You may qualify for Federal education loans.**  
For additional information, **contact your school's financial aid office or the Department of Education at:**

[www.federalstudentaid.ed.gov](http://www.federalstudentaid.ed.gov)

\* These interest rates are determined by federal law and are fixed for the life of the loan. The federal loan interest rates may change in the future, but only for new federal loans. Federal law may also change in the future. To learn more, go to: <http://studentaid.ed.gov/types/loans/interest-rates>.

## Next Steps

### 1. Find Out About Other Loan Options.

Some schools have school-specific student loan benefits and terms not detailed on this form. Contact your school's financial aid office or visit the Department of Education's web site at: [www.federalstudentaid.ed.gov](http://www.federalstudentaid.ed.gov) for more information about other loans.

### 2. To Apply for this Loan, Complete the Application and the Self-Certification Form.

You may get the certification form from your school's financial aid office. If you are approved for this loan, the loan terms will be available for 30 days (terms will not change during this period, except as permitted by law and the variable interest rate may change based on the market).

## REFERENCE NOTES

### Variable Interest Rate

- This loan has a variable interest rate that is based on a publicly available index, the one-month London Interbank Offered Rate (LIBOR). Your rate will be calculated each month by adding a margin between +2.00 and +9.875 to the LIBOR.
- The rate will not increase more than once a month, but there is no limit on the amount that the rate could increase at one time.

### Eligibility Criteria

#### Borrower

- You must attend an eligible school, be an undergraduate student, or attending an eligible associate, bachelors, graduate or technical/trade program at least half-time. In some circumstances, the Smart Option Student Loan is available to less-than-half-time students and students enrolled in a continuing education program.
- Must have attained the age of majority in your state of residence at the time of loan application. Otherwise, a cosigner is required.

### Cosigners

- A cosigner is not required, but may help you qualify and/or receive a lower interest rate.
- Must have attained the age of majority in their state of residence at the time of loan application.

### Bankruptcy Limitations

- If you file for bankruptcy you may still be required to pay back this loan.

**More information about loan eligibility and repayment deferral or forbearance options is available in your loan application and Promissory Note.**

Fixed Rate Type (see pages 1 &amp; 2 for Variable Rate Type)

**SALLIE MAE BANK**P.O. Box 9435  
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## Loan Interest Rate & Fees

Your **interest rate** will be between

5.75% and 12.875%

After the starting rate is set, it will be fixed for the term of the loan.

### Your Interest Rate (upon approval)

The interest rate you pay will be determined after you apply. It will be based upon your credit history, which repayment option you choose, and other factors. If approved, we will notify you of the rate you qualify for within the stated range.

### Your Interest Rate during the life of the loan

**Your rate is fixed.** This means that your rate will not increase or decrease for the life of the loan. For more information on this rate, see the reference notes.

## Loan Fees

**Application fee:** \$0 . **Disbursement fee:** The fees that we charge to make this loan are 0% to 0% of total loan amount. **Late charge:** 5% of the amount of the past due payment, or \$5, whichever is greater.**Returned check charge:** up to \$20. **Fee when you begin repaying the loan:** 0% of loan balance.

## Loan Cost Examples

The total amount you will pay for this loan will vary depending upon when you start to repay it. This example provides estimates based upon three (3) different repayment options available to you while enrolled in school.

Repayment Options (while enrolled in school and during the separation period of six (6) billing cycles thereafter)	Amount Provided (amount provided directly to you or your school)	Interest Rate (highest possible starting rate)	Loan Term (how long you have to pay off the loan)	Total Paid over life of loan (includes associated fees)
<b>INTEREST PAYMENT</b> Make interest payments but defer payments on the principal amount while enrolled in school and during separation.	\$10,000	12.875%	12 years starting <u>after</u> the in school period	\$24,955.41
<b>FIXED PAYMENT</b> Make fixed payments of \$25 each month while enrolled in school and during separation. Interest will be charged and unpaid interest will be added to your loan.	\$10,000	12.875%	12 years starting <u>after</u> the in school period	\$28,781.88
<b>DEFER PAYMENT</b> Make no payments while enrolled in school and during separation. Interest will be charged and added to your loan.	\$10,000	12.875%	12 years starting <u>after</u> the in school period	\$30,070.03

### About this example

The repayment example assumes that you remain in school for 4 years and have a 6-month separation period before beginning repayment. It is based on the **highest rate currently charged** and associated fees. Please note that monthly principal and interest payments after the separation period ends and the interest rate on your loan are higher for the "Fixed Payment" and "Defer Payment" Repayment Options. So long as you do so prior to finalizing this loan, you will be able to change your repayment option and interest rate type elections by calling 877-279-7172. Principal and interest repayment terms vary from 5 to 15 years and are based upon the borrower's cumulative outstanding Sallie Mae-serviced private student loan balance, repayment option and the student's school-certified academic grade level.

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## REFERENCE NOTES

### Fixed Interest Rate

- This loan has a fixed interest rate and will not increase or decrease for the life of the loan.

### Eligibility Criteria

#### Borrower

- You must attend an eligible school, be an undergraduate student, or attending an eligible associate, bachelors, graduate or technical/trade program at least half-time. In some circumstances, the Smart Option Student Loan is available to less-than-half-time students and students enrolled in a continuing education program.
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